

Siemens AG (United States / DOJ)

Case ID:

ST-318

Case Cluster :

Siemens AG

Jurisdiction of Settlement:

United States

Jurisdiction of Settlement / Enforcement Agency:

Department of Justice

Jurisdiction of Foreign Public Official(s) :

Argentina, Bangladesh, Iraq (UN Oil-for-Food), Venezuela

Year of Settlement:

2008

Month/Day of Settlement (or Notes):

12/15

Other Jurisdictions of Settlement:

Germany, World Bank

Settlement with Individual or Legal Person?:

Legal Person

Type of Settlement:

Criminal

Legal Form of Settlement:

Guilty Plea

Monetary Sanctions (Types):

Criminal Fine

Total Monetary Sanctions (US\$):

\$448,500,000.00

Criminal Fine/Penalty (US\$) :

\$448,500,000

Monetary Sanctions Returned / Ordered Returned (US\$):

\$0

UNCAC Articles(s) Implicated:

Art.26

OECD Anti-Bribery Convention Articles Implicated:

Art. 1, Art. 2, Art. 7, Art. 8

Offenses - Alleged:

Falsification of Books and Records

Offenses - Settled:

Falsification of Books and Records

Public Procurement Contract / SOE Involved?:

Yes

Summary:




According to the June 2011 United States Report to the OECD, "On December 11, 2008, Siemens Aktiengesellschaft (Siemens AG), a German corporation, and three of its subsidiaries were charged in separate criminal informations filed in the U.S. District Court for




the District of Columbia for their roles in a scheme to bribe foreign officials in several countries. Siemens AG was charged with two counts of violating the internal controls and books and records provisions of the FCPA, while Siemens S.A. - Argentina was charged with conspiracy to violate the books and records provisions. In addition, Siemens Bangladesh Limited (Siemens Bangladesh) and Siemens S.A. - Venezuela (Siemens Venezuela) were each charged with one count of conspiracy to violate the anti-bribery and books and records provisions of the FCPA. According to court documents filed in these criminal cases, beginning in the mid-1990s, Siemens AG engaged in systematic efforts to falsify its corporate books and records and knowingly failed to implement existing internal controls. As a result of Siemens AG's knowing failures in and circumvention of internal controls, from the time of its listing on the New York Stock Exchange on March 12, 2001, through approximately 2007, Siemens AG made payments totaling approximately \$1.36 billion through various mechanisms. Of this amount, approximately \$554.5 million was paid for unknown purposes, including approximately \$341 million in direct payments to business consultants for unknown purposes. The remaining \$805.5 million of this amount was intended in whole or in part as corrupt payments to foreign officials in Asia, Africa, Europe, the Middle East and the Americas, which were to be paid through various mechanisms, including cash desks and slush funds. The criminal charges against Siemens AG and its three subsidiaries stem from bribery schemes and related accounting misconduct involving its operations in Iraq, Argentina, Venezuela, and Bangladesh." (Source: US Report to the Organisation for Economic Co-operation and Development, "Steps taken to implement and enforce the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions," Information as of May 31, 2011, Siemens Aktiengesellschaft (Siemens AG) Case Summary at 70-73.)

Sources :

US Report to the Organisation for Economic Co-operation and Development, "Steps taken to implement and enforce the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions," Information as of May 31, 2011, Siemens Aktiengesellschaft (Siemens AG) Case Summary at 70-73, accessed at <http://www.oecd.org/dataoecd/18/8/42103833.pdf>. US v. Siemens AG, Case No. 1:08-cr-367-RJL (D.D.C.), Information filed December 12, 2008, accessed at <http://www.justice.gov/criminal/fraud/fcpa/cases/siemens/12-12-08siemensakt-info.pdf>; Plea Agreement filed December 15, 2008, accessed at <http://www.justice.gov/criminal/fraud/fcpa/cases/siemens/12-15-08siemensakt-plea.pdf>; Statement of Offense filed December 15, 2008, accessed at <http://www.justice.gov/criminal/fraud/fcpa/cases/siemens/12-15-08siemens-statement.pdf>; Government Sentencing Memorandum filed December 12, 2008, accessed at <http://www.justice.gov/criminal/fraud/fcpa/cases/siemens/12-12-08siemensvenez-sent.pdf>; Judgment filed January 6, 2009, accessed at <http://www.justice.gov/criminal/fraud/fcpa/cases/siemens/01-06-09siemensakt-judgment.pdf>. US Department of Justice Press Release, "Siemens AG and Three Subsidiaries Plead Guilty to Foreign Corrupt Practices Act Violations and Agree to Pay \$450 Million in Combined Criminal Fines," December 15, 2008, accessed at <http://www.justice.gov/opa/pr/2008/December/08-crm-1105.html>

Documents:

Attachment	Size
 Siemens_AG_DOJ_Information_Dec_12_2008.pdf	3.65 MB
 Siemens_AG_DOJ_Statement_of_Offense_December_15_2008.pdf	1.57 MB
 Siemens_AG_DOJ_Judgment_Jan_6_2009.pdf	872.51 KB

Attachment	Size
 Siemens_AG_DOJ_Govt_Sentencing_Memorandum_Dec_12_2008.pdf	113.9 KB
 Siemens_AG_DOJ_Plea_Transcript_Press_Conference_Dec_15_2008.pdf	378.01 KB
 Siemens_AG_DOJ_Plea_PR_Dec_15_2008.pdf	216.15 KB